



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 3rd day of June, 2019

Essential Air Service at

WATERTOWN, SOUTH DAKOTA

Under 49 U.S.C. § 41731 *et seq.*

DOT-OST-2001-10644

ORDER APPROVING ALTERNATE SERVICE PATTERN

Summary

By this Order, the United States Department of Transportation (the Department) is approving the request of SkyWest Airlines, Inc. (SkyWest) to change its Essential Air Service (EAS) pattern at Watertown, South Dakota, effective September 1, 2019. SkyWest will operate from Watertown to both Chicago O'Hare International Airport (ORD) and Denver International Airport (DEN). There is no change to the annual subsidy or the level of flight frequency, which remains at 12 weekly nonstop round trips to/from Watertown.¹

Background

By this Order 2019-2-12 (February 12, 2019), the Department selected SkyWest Airlines to provide EAS at Watertown, with 12 weekly round trips to DEN, at an annual subsidy rate of \$3,244,118, from February 13, 2019, through April 30, 2021. SkyWest operates under the United Express brand and uses 50-seat Canadair CRJ-200 regional jet aircraft.²

Airline Proposal

In a letter to the Department dated May 20, 2019, SkyWest requested that the Department permit a change in service pattern at Watertown stating:

¹ In a subsequent email to the Department, SkyWest stated it plans to provide Watertown with six weekly round trips to DEN and six weekly round trips to ORD, for 12 weekly round trips total.

² Also in that Order, the Department selected SkyWest for EAS at Pierre, SD.

“Effective September 1st, 2019 SkyWest Airlines is requesting a change in service pattern at Watertown, SD. We are proposing to provide service to a combination of both ORD and DEN. This change will provide Watertown with non-stop service options to two of United Airlines largest hubs. There is no requested change in subsidy.

We believe these changes will be in the best interest of the community. All flights will provide non-stop service to their respective hubs.”

Community Comments

The Department received comments from Watertown Mayor Sarah Caron, regarding SkyWest’s service pattern change. Mayor Caron stated, “...the Watertown City Council ratified the action of the Watertown Regional Airport Board to recommend the United States Department of Transportation allow a change in the Essential Air Service schedule of SkyWest Airlines dba United Express to eliminate the morning flight to Denver and evening flight back from Denver in exchange for adding a mid-day flight in from Chicago and mid-day flight out to Chicago. The council action also gave me the authorization to execute any documents required to effect this change.

We are grateful and very excited to have been given this opportunity and believe that it will be beneficial to our community.”

Decision

The Department will approve SkyWest’s request, which meets the three conditions necessary for approval under authority assigned under 14 CFR Part 385.12(k)(3) of the Department’s Regulations: (1) the alternate service pattern is equal or greater than that determined to be essential; (2) the communities affected do not object to the alternate service pattern; and (3) the alternate service pattern will not increase SkyWest’s subsidy.

Because the Department is *allowing* the alternate service pattern and not *requiring* it, SkyWest may revert to the original service pattern at any time.

This Order is issued under authority delegated in 14 CFR Part 385.12k(3).

ACCORDINGLY,

1. The Department hereby approves the alternate service pattern requested by SkyWest Airlines, Inc. to provide Watertown, South Dakota with six round trips each week to Chicago O’Hare International Airport and Denver International Airport, effective September 1, 2019;
2. This docket will remain open until further order of the Department; and

3. The Department will serve copies of this Order on the mayor of Watertown, South Dakota, the airport manager of Watertown Regional Airport, and SkyWest Airlines, Inc.

By:

TODD M. HOMAN
Director
Office of Aviation Analysis

(SEAL)

*An electronic version of this document is available at
<https://www.regulations.gov>*

SkyWest Airlines, Inc.
Essential Air Service to be Provided at Watertown, South Dakota
Docket DOT-OST-2001-10644

Effective Period: September 1, 2019 through April 30, 2021

Scheduled Service: 12 weekly round trips to Denver International Airport (DEN) and Chicago O'Hare International Airport (ORD)

Aircraft: 50-seat Canadair CRJ200

Rate per Eligible Flight: \$2,653¹

Weekly Ceiling: \$63,672²

Note: The carrier understands that it may forfeit its compensation for any flights that it does not operate in conformance with the terms and stipulations of the rate Order, including the service plans outlined in the Order and any other significant elements of the required service, without prior approval. The carrier understands that an aircraft take-off and landing at its scheduled destination constitutes a completed flight; absent an explanation supporting subsidy eligibility for a flight that has not been completed, such as certain weather cancellations, only completed flights are considered eligible for subsidy. In addition, if the carrier does not schedule or operate its flights in full conformance with the Order for a significant period, it may jeopardize its entire subsidy claim for the period in question. If the carrier contemplates any such changes beyond the scope of the Order during the applicable period of this rate, it must first notify the Office of Aviation Analysis in writing and receive written approval from the Department to be ensured of full compensation. Should circumstances warrant, the Department may locate and select a replacement carrier to provide service on these routes. The carrier must complete all flights that can be safely operated; flights that overfly points for lack of traffic will not be compensated. In determining whether subsidy payment for a deviating flight should be adjusted or disallowed, the Department will consider the extent to which the goals of the program are met and the extent of access to the national air transportation system provided to the community.

If the Department unilaterally, either partially or completely, terminates or reduces payments for service or changes service requirements at a specific location provided for under this Order, then, at the end of the period for which the department does make payments in the stipulated service levels, the carrier may cease to provide service to that specific location without regards to any requirement for notice of such cessation. Those adjustments in the levels of subsidy and/or service that are mutually agreed to in writing by the Department and carrier do not constitute a total or partial reduction or cessation of payment.

Subsidy contract are subject to, and incorporate by reference, relevant statutes and Department regulations, as they may be amended from time to time. However, any such statutes, regulations, or amendments thereto shall not operate to controvert the foregoing paragraph.

Funds may not be available for performance under this order beyond September 30, 2019. The Government's obligation for performance under this order beyond September 30, 2019, is subject to the availability of funds from which payment for services can be made. No legal liability on the part of the Government for any payment may arise for performance under this order beyond September 30, 2019, until funds are made available to the Department for performance. If sufficient funds are not made available for performance beyond September 30, 2019, the Department will provide notice in writing to the carrier.

All claims for payment, including any amended claims, must be submitted within 90 days of the last day of the month for which compensation is being claimed. For example, claims for service provided in July must be filed by October 31; August claims must be submitted by November 30, and so on.

¹ Annual compensation of \$3,244,118 divided by 1,223 annual departures (24 weekly departures x 52 weeks x 98 percent completion).

² 24 flights per week multiplied by \$2,653 per flight.